

Water almost out of GATS?

The exemption of water from new plurilateral GATS requests shows that the global campaign against the EU's push for the privatisation of water services is starting to have an impact. But the battle is not yet won.

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Since the World Trade Organisation's Ministerial Conference in Hong Kong (December 2005), the services negotiations as part of the GATS (General Agreement on Trade in Services) have entered a new phase. The governments leading the push for services liberalisation started drafting collective requests as part of new plurilateral negotiations, with the EU taking a coordinating role in this renewed offensive. The controversial plurilateral approach complements the bilateral talks that have been ongoing for several years without leading to the kind of results earlier hoped for by the EU and other Northern governments and the transnational services corporations organised in lobby groups such as the European Services Forum.

To the surprise of many, the European Commission in late February announced that these collective requests would not include "water for human use".³ This is a major U-turn for the EU for whom water services liberalisation has long been a key goal of this round of GATS talk. This is a success for civil society groups, trade unions and many others, both in Europe and around the world, who have been campaigning against the inclusion of water services in the GATS agreement as they saw the EU agenda as a threat to public water delivery. Documents obtained by Corporate Europe Observatory show that this tireless opposition caused the European Commission serious headaches, not the least because some European water multinationals got cold feet about being implicated in the water liberalisation push through GATS.

Winning a battle is not winning a war. It is unclear whether liberalisation of "water for human use" is also now off the table in the bilateral GATS negotiations. The next step for the EU should be to clarify its position and follow the example of the Norwegian government, which fully withdrew its GATS requests concerning water services on the eve of the Hong Kong WTO Ministerial.⁴ Moreover, the EU must be pressured to end its attempts to promote water liberalisation through regional trade agreements. As an essential service with unique characteristics, water delivery should be entirely exempted from all trade agreements.

1. What is it all about? - GATS, the EU and the water multinationals

"I would say they are criminals" – this is how Pascal Kerneis from the influential lobby organisation European Services Forum portrays those who campaign against water privatisation and the drive to include water in GATS.⁵ "They [the campaigners] have not counted the people who are dying because they don't have any clean water because there are no companies coming into their countries to invest and give them clean water."⁶ Kerneis' aggressive remarks reflect a deep frustration with a civil society campaign that has undermined the benefits of the privileged access and close partnership with the European Commission and EU government trade negotiators, which his organisation has enjoyed since its founding in 1999.⁷

For more than five years, civil society campaigners and activists in countries across Europe have organised public outreach campaigns, including petitions, demonstrations and much more, to raise awareness about the potential impacts of the GATS negotiations on water policies.⁸ The aim of the GATS is to progressively liberalise a global services “market”, i.e. reduce any restriction on international trade and foreign investment for multinational services companies. For instance, the GATS rulings on market access and national treatment could seriously undermine public policy space to limit foreign ownership, to demand a certain legal entity such as a cooperative or to subsidise a local public water provider. The proposed disciplines on domestic regulations as part of the GATS will interfere even further with domestic public safety laws, such as environmental, health standards or pricing regulations.⁹ The campaigners highlighted negative experiences of water privatisation in developing countries, which would be multiplied by the inclusion of water in the GATS. In their view, water policies should not be decided via trade negotiations and trade agreements should not limit policy options. They consistently exposed the EU and corporate interests as the driving forces behind water services liberalisation.¹⁰ A closer examination of the EU’s aim to use GATS to promote the interests of EU-based water multinationals demonstrates the validity of these concerns.

a) GATS: locking in liberalisation and privatisation

The proposals to include water delivery in GATS come following several decades during which the IMF and the World Bank (and its regional daughters) have forced many poor countries to privatise water and other public services as a condition of receiving loans.¹¹ Both institutions had a major role in prising open the water sector in a wide range of countries around the world, and so be taken over by private water multinationals. These water corporations have most frequently entered developing countries through public-private partnerships in which the public sector covers the financial and other risks related to privatised water delivery.¹² In addition to contracts that secure profits, Suez and other water giants have demanded they be treated in the same manner as their local competitors. They also seek a predictable legal environment where they will not face any sudden regulatory changes.

This is how the GATS becomes so important with its rules on non-discrimination and legally binding market access. The specific function of the GATS within the “Unholy Trinity”¹³ of the IMF, the World Bank and the WTO is not only to deepen the existing level of liberalisation that has already been imposed by the World Bank and IMF but to legally bind it, i.e. to lock-in that liberalisation, thereby making it irreversible. Citizens’ struggles for public and democratic water systems would be made even more vulnerable by the threat of international trade disputes than is presently the case. By legally guaranteeing the activities of private water companies in WTO member states, the GATS will accelerate their global expansion and thus accelerate the process of privatisation.¹⁴ This is precisely the grave danger of GATS.

b) The EU: spearheading the GATS talks on water liberalisation

Many campaigners have highlighted the European Union’s aggressive role in the GATS and water negotiations. What specific position has the EU adopted during the GATS negotiations?

- **Commercial interests:** The European Commission has made no secret of the fact that the EU’s strive for further liberalisation in the water sector is in the

interest of the largest European water companies. In a May 2002 letter to four EU-based water multinationals, the Commissions stressed that *“One of the main objectives of the EU in the new round of negotiations is to achieve real and meaningful market access for European services providers for their exports of environmental services. Therefore, we very much appreciate your input in order to sufficiently focus our negotiating efforts in the area of environmental services [within the GATS].”*¹⁹ In a different document the Commission writes with regard to the GATS negotiations: *“Environmental Services are a priority for the EU in the current round of services negotiations. European companies are, in most areas (water-related services, waste management, air pollution control, etc.) internationally leading. [...] The case for encouraging private sector participation in the provision of water related, and in particular water distribution services, is a strong one.”*²⁰ Of the ten largest players in the global water sector, nine have their headquarters in the EU.²¹

- **The push for re-classification:** Before the new GATS negotiations in 2000, the EU endeavoured to include drinking water distribution under the realm of the services negotiations. While water for human use was not explicitly excluded from the agreement, it is not mentioned in the official WTO document that lists the sectors that ought to be liberalised through the GATS. The EU aimed to change this with its proposal for a classification of environmental services that included water for human use as a sub sector.²⁵
- **The EU’s water requests:** As a result of campaigning by trade unions and NGOs, the European Union in the summer of 2002 publicly announced that it would not make any commitments to liberalise its own health, education and water services. However welcome this announcement was, it created a deeply hypocritical position for the EU as it continued to demand other countries, including some of the world’s poorest, to liberalise their essential service sectors, including drinking water delivery. The broad aims the EU proposed for the negotiations in the environmental services sector included substantially reducing what it called “typical obstacles” to trade in environmental services: *“monopolies and exclusive providers issues, restrictions on legal forms of doing business, equity limitations, restrictions on foreign investment, unspecified licensing and approval requirements, unspecified economic needs tests, residency and nationality requirements, restrictions to the movement of key personnel etc.”*²⁷ These ambitions were reflected in the – leaked - bilateral requests that the EU sent out in June 2003: requests to 72 out of 109 countries targeted included environmental services. The formulation of the request for “water for human use” was as concise as it was broad: *“Extend sectoral coverage to include the above services, Mode 3 (investment): Take commitments under Market Access and National Treatment”*.²⁸ Among the countries asked to submit commitments in the water sector were many that had experienced serious privatisation failures, such as Bolivia and South Africa.²⁹
- **The EU’s corporate agenda:** In the process of drafting the EU GATS requests, the European Commission was in close contact with several EU based water multinationals, including Suez and Veolia, the two largest water companies in the world. E-mail correspondence and other European

Commission documents obtained by Corporate Europe Observatory document how the EU requests effectively mirrored the commercial interests of large EU water corporations. For instance, as a follow-up to a joint meeting on trade in environmental services in the WTO negotiations on 17 May 2002, the European Commission sent out a detailed questionnaire to the companies asking which public services regulations and other government measures (including procurement rules) they considered a barrier.³¹

Moreover, several meetings took place between the European Commission and water companies but also between the companies and the Article 133 Committee, which is the most important EU forum for member states to discuss trade matters with the Commission. In July 2003, the Commission organised a Geneva lobby meeting between European water companies and WTO delegates from developing countries since *“a meeting with experts who have practical experience might be useful/beneficiary”* to address reservations towards making binding commitments in the water sector.³²

Ulrike Hauer, a DG Trade official, sent an e-mail to RWE/Thames Water asking them to send a representative to a seminar on environmental services organised by UNCTAD: *“The reason for us ‘urging’ you to come is also, that we are considering organising an informal meeting with interested WTO delegations in order to speak about environmental services in the current WTO round of negotiations. As you probably know, environmental services are an important sector for the EU in this round. At the same time, it is clear that many of our partners, especially developing countries, have questions and reservations about binding market access within the WTO in this sector.”*³³ Summing up, the European Commission very actively involved the EU water multinationals in drafting their official documents and even organised lobby meetings for the companies to convince hesitant WTO member countries to make commitments in water distribution services.³⁴

2. The impact of the campaigns against GATS and water privatisation

The European Commission has consistently rejected the demands to end the push for water liberalisation through GATS. As campaigns by civil society groups and unions grew increasingly strong and globalised, the Commission became more and more isolated. First several national parliaments started calling for the water requests to be withdrawn. Then the UK, Belgium and several other EU members reacted to the campaigns by distancing themselves from the water requests, without however taking strong action to change the EU position. The question arose who within the EU was insisting on maintaining the water requests. The French government and the European Commission were likely suspects. Additionally since 2003, Thames Water has split the ranks of the European water multinationals by increasingly vocally distancing itself from the EU's position in the GATS negotiations.

Commission and corporates get anxious

From the outset, the GATS-campaigns were closely watched by both companies and government officials. A 2003 note from a civil servant in the European Commission's trade department DG Trade to the Director General Mogens Peter Carl, highlights the little respect the Commission shows the NGOs' position: *“the explicit inclusion of*

*water distribution into the environmental services classification, as well as the EU requests in that sector have been met with strong, at times very emotional, criticism from the side of civil society. This 'campaign' (led chiefly by ATTAC, the World Development Movement, Save the Children, Public Services International – an international trade union confederation of public sector workers) has raised considerable interest, and support, by MEPs [names in brackets blacked out], national parliamentarians, municipalities (in particular in those Member States where provision of these services is under municipal control), and development organisations. [...] The claims, concerns and criticism are partly very muddled and confused. There is consistent confusion of trade liberalisation and privatisation. The rather simplistic equation 'GATS = privatisation of water' has contributed to that rather confused state of the debate. [...] In short, there is strong opposition, in particular among 'northern' civil society organisations, against greater involvement of the private sector in the supply of water services, in particular in developing countries.*³⁵ Following this rather coarse description of the GATS campaigns, the paper continues outlining strategies on how to counter these "muddled" campaigns. In the copy of the document obtained by Corporate Europe Observatory through an access-to-documents request, the parts of text dealing with Commission strategies has been blacked out. But what the text does show is that the GATS-and-water campaigns were closely watched by the European Commission and considered a serious threat to the ongoing GATS negotiations.

Private water corporations were no less worried about the campaigns. Vivendi (later renamed Veolia), for example, complained in a May 2002 letter to the European Commission: *"The issues that raise our worrying are the one currently handled by NGO's and some governments, confusing 'privatisation' of environmental resources (e.g.: water) and of general interest services, and private running of services to environment, despite strong public control and continuous public ownership. (sic)".*⁴¹

Thames Water (owned by the German conglomerate RWE) soon decided that GATS was becoming a liability. In March 2003 the company's CEO announced, during the World Water Forum in Kyoto that the company would not support the GATS negotiations on water services. In January 2005, the company even sent a letter to the Commission explicitly asking the EU not to *"include water or waste water services in its demands for the forthcoming GATS round"* as the company *"both will respect and share the concerns raised by civil society organisations."*⁴²

A month later, Thames Water sponsored a symposium on water and GATS organised by the Institute for Public Policy Research (IPPR), a UK think tank. During this symposium in Brussels, Richard Aylard, head of corporate development and external affairs of RWE/Thames Water, flatly came out against the EU water requests. All the European water companies present denied they had asked the EU Commission to insert water in the 72 GATS requests.⁴³ A Brussels services industry lobbyist describes the impact of the GATS protests as follows: *"It had an effect on the GATS and RWE for the effect that they [the water companies] don't want any publicity."*⁴⁴

The European Commission, meanwhile, responded to the Thames Water statements by continuing its stubborn defence of including drinking water in the GATS negotiations, for instance in a March 2005 letter.⁴⁵ *"The Commission considers that, properly managed, GATS negotiations can contribute to the achievement of these*

goals [to cut in half by 2015 the proportion of people without access to safe drinking water]”⁴⁶

The lobbyist mentioned above describes the impacts of the GATS-water campaigns as very far-reaching not only in terms of public relations impact but also in substance: “*And the projects that the industry has got in some cities, they are not willing to get into this anymore. It will get public attraction and it will make life much more difficult with them. So [...] they will now go into PPP [Public-Private-Partnership], probably not putting their name, so you will not see Veolia or you will not see Suez, Thames Water, RWE. They will create a joint venture, they will not do the whole job. They say: We will bring the technology to identify leakages, but we won't build a new network. [...] The impact will be that we will have less [GATS] commitments in water management*” (sic).⁴⁷

Political Backlash

Criticism of the EU's GATS requests for water services liberalisation soon spread far beyond NGOs and trade unions. Numerous municipalities in France, Austria, Switzerland and other European countries have been declared “GATS-free zones”, which demonstrating substantial local resistance against the GATS.⁴⁸

Parliamentarians in many European countries expressed their concern about the GATS and the water requests in particular. In summer of 2003, the German Bundestag (parliament) asked the German government to demand from the European Commission to withdraw all requests for water liberalisation.⁴⁹

In Belgium, a GATS and water campaign staged by national umbrella of development NGOs, 11.11.11, resulted in 60% of Flemish municipalities and four out of five Flemish provinces signing a motion calling for the withdrawal of the EU water requests. In December 2002 and again in April 2005, the Belgian parliament passed a resolution with the same demand. In December and January 2005, the Belgian government presented a similar position in the 133 Committee, the powerful body of EU trade negotiators.⁵⁰ The Belgian government did not receive sufficient support from other EU member states for GATS requests to be withdrawn.

The European Parliament has hesitated to take a clear position on GATS and water, but in a recent resolution on the WTO negotiations the parliament did demand “*that services related to health, education and the audio-visual sector be excepted and also those which concern people's basic needs, such as water and energy*”.⁵¹

In December 2005, the Norwegian government took a groundbreaking step and withdrew its requests in energy, higher education and the water sector. This announcement, on the eve of the WTO Ministerial in Hong Kong, marks the first time a government has publicly announced the full withdrawal of GATS requests for the sensitive essential services.⁵² It shows what can be achieved with sufficient political will and clearly increases the pressure on the European Union to fully withdraw its requests on water and other essential services .

Watered-down EU requests?

While continuing to defend the inclusion of water in GATS, the European Commission has made some alterations to the formulation of its requests with regards to water distribution services. In its **initial requests** (June 2002), the

Commission used a very broad formulation asking for “commitments” in the water sector (see box for details). The initial requests were open to interpretation and could have covered practically everything. The requests were formulated in such a sweeping way that they could have impacted the right of WTO member states to limit foreign ownership of water service providers. It would have challenged the right of WTO member states to determine the number of providers (and thus maintain monopoly water suppliers) and to determine the legal entity of the water service provider, thus possibly forcing countries that have not opened up their water sector for any competition to liberalise/privatise their public services.

In the **revised requests** (January 2005) the Commission broadened its demands by adding advisory or consulting services.⁵⁴ But at the same time, in response to the widespread criticism, the Commission also added some specifications. By doing so the requests became more focused and therefore, as the Commission claimed, less wide in scope. The revised requests specify that targeted countries can maintain ‘exclusive rights’. Where exclusive rights do not exist the EU demands full market access. Where exclusive rights do exist, but they are awarded through an open bidding procedure (call for tenders), the EU’s requests seek to obtain the right for foreign companies to be granted national treatment, i.e. the same rights as a national competitor, both in the possibility to bid and, if they are chosen, in the operation of service.

What the revised GATS requests do in substance is to ask for European companies not to be discriminated against in the allocation of concessions (or other “exclusive rights”). Since the large European transnational companies will most likely be able to make more “competitive” offers in a bidding procedure than a national and possibly public provider, the European requests – if implemented - will still lead to an increase in the role of private water corporations in water delivery. Thus, the revised commitments might be more specific, but the aim remains the same: to limit policy space and thus to accelerate the process of privatisation.

Finally, it is noteworthy that the specifications made by the Commission actually turn the water requests into government procurement requests. Rules on government procurement is one of the GATS related issues that is still under negotiation elsewhere in the WTO system. The EU’s revised requests might therefore set a precedent prejudicing these negotiations, in which developing country governments are struggling to defend their rights to maintain specific pro-development policies.⁵⁵

Plurilateral Talks: Water Exempted

Following the WTO summit in Hong Kong, the GATS negotiations have gained new momentum. Despite strong resistance from developing countries to introducing new negotiating methods within the GATS agreement, plurilateral negotiations (in addition to the traditional bilateral approach) were de facto agreed to in Hong Kong. The so-called “friends groups” of countries (all of which are demandeurs for market access or liberalisation) have drafted collective requests, since Hong Kong, for particular services sectors. These collective requests were sent to WTO member governments in late February 2006, inviting the targeted WTO members to discuss these collective requests in plurilateral negotiating sessions. This new approach to the GATS negotiations increases the pressure on those countries that have been hesitant to open up their services markets to large foreign companies.

Among these “friends groups” is the “**friends of environmental services**” which happens to be chaired by the European Union. The collective request sent out by the European Commission on behalf of Australia, Canada, the European Communities, Japan, Korea, Norway, Switzerland, Taiwan and the United States to 22 countries explicitly mentions that it “*does not address in any way water for human use (i.e. the collection, purification and distribution of natural water)*”. However it still includes sewage services (Provisional UN CPC 9401; called “Wastewater management” in the reclassification proposal of the EU⁵⁶), which is often provided by the same companies that distribute drinking water and may serve as an inroad into drinking water services.

In the run up to the formulation of the plurilateral requests, the EU made it clear that these request do not replace the existing bilateral requests. The EU might therefore still be pushing drinking water liberalisation in its bilateral services negotiations with individual countries. The withdrawal of drinking water from the plurilateral or collective request is still a very significant development. In how far this reflects a long overdue recognition by EU governments of the dangers of including water in GATS remains to be seen. The tireless civil society campaigns, in North and South, have undoubtedly played a role, for instance by empowering developing country governments to reject the EU requests. In fact not a single WTO member government has made an offer in drinking water services to date; not even the EU itself.

While the EU has had to somewhat scale down its ambitions in the GATS negotiations, the European Commission continues to identify very strongly with the interests of global water multinationals, almost all of which are headquartered in the EU. An example of these pro-privatisation leanings is a recent statement by the European Trade Commissioner Peter Mandelson. According to Mandelson, the EU requests “*simply aim to facilitate the opening up of these services to international operators if and when the responsible public authorities freely choose to do so, for instance through any form of public-private partnership of their choice*”.⁵⁷

Box: The evolution of the EU’s water requests: the initial requests, the revised requests and the collective or plurilateral requests’ model schedule

Requests for:

“Water collection, purification and distribution services through mains, except steam and hot water.”

“ **Initial request, June 2002:**

“Extend sectoral coverage to include the above services.

- Mode 3: “Take” or “The EC invites [country] to consider taking” commitments under MA and NT.
- Mode 4: Commit as referred to in the section ‘Horizontal commitments’.”

“ **Revised request, January 2005:**

(in narrative from:)

“-Modes 1 and 2: make full commitments for market access and national treatment for advisory services

- Mode 3: make the following commitments:
 - For services which are not subject to exclusive rights: full commitments
 - For services which are subject to exclusive right (through, for example, concessions): in case exclusive rights are awarded by public authorities through a competition procedure allow foreign service suppliers to be eligible and granted national treatment.
- Mode 4: Commit as referred to in the section ‘Horizontal commitments’.”

OR (in model schedule form:)

Market Access	National treatment
1. and 2. Unbound ^a , except for advisory services where: none ^b	1.and 2. Unbound, except for advisory services where: none
3. Provision of the service may be subject to exclusive rights through, for example, concession contracts	3. For services which are subject to exclusive rights: unbound except that in cases where exclusive rights are awarded by public authorities through a competition procedure, foreign service providers shall be eligible and granted national treatment. For services which are not subject to exclusive rights: none
4. Unbound except as indicated in the horizontal section	4. Unbound except as indicated in the horizontal section

.. Collective or Plurilateral Request sent out by the EU on behalf of the Friends of Environmental services, February 2006:

“...this plurilateral request does not address in any way water for human use (i.e. the collection, purification and distribution of natural water”.

To summarise, the effects of the GATS campaigns on the policy level are at least threefold:

- 1) Fearing civil society opposition, global water companies such as RWE did no longer want to be associated with GATS. More generally, the company is now very careful as to where and how they get involved in privatisation projects.
- 2) GATS commitments for water-related services (in response to EU requests) have hitherto been avoided, as developing country trade negotiators became even more hesitant to make concessions in this sector.
- 3) The EU's GATS requests – both the revised bilateral as well as the plurilateral requests - were reduced in their scope.

3.: Next step: water out of GATS and other trade agreements

Despite of these positive developments, there is every reason for civil society groups to further intensify campaigning on these issues. Firstly, while water is not included in the plurilateral requests, the European Commission will most likely continue to push for water liberalisation in bilateral GATS negotiations, not the least in areas such as wastewater treatment. The requests on water for industrial use are still dramatically broad. Wastewater management is included in all European GATS requests. Unless the whole water sector – including waste water management and water for industrial use – is completely exempted, the threat of GATS-driven privatisation in the water sector remains. The EU should follow the example of Norway and withdraw its GATS requests in the water sector.

^a “Unbound”: no liberalisation commitments to be taken

^b “None”: full liberalisation commitments to be taken

Secondly, the GATS are far from the only international trade negotiations through which the EU has promoted water liberalisation. In parallel to the WTO services negotiations, the EU has promoted similar requests in bilateral and regional trade talks such as the EU-Mercosur negotiations and the European Partnership Agreements (EPA's) with African, Caribbean and Pacific countries.⁵⁸ The EU should not only withdraw its water requests as part of the ongoing GATS negotiations but also refrain from including water distribution into regional trade agreements. A new global campaign coalition calling for water to be excluded from trade agreements was launched as part of civil society events during the WTO summit in Hong Kong. For more information about how to get involved in this important initiative, see <http://www.waternotforsale.org/>

Finally, the water requests, however stubbornly defended by the European Commission, are clearly the weakest link in the EU's wider agenda of using GATS to promote the interests of European services corporations. Critical analysis of EU requests on other areas - from financial services, tourism & energy, to mention a few - shows that these are also likely to seriously undermine local development and environmental protection. Even a water-free GATS remains deeply flawed.

Similarly, the exclusion of water from GATS, if achieved, would be a victory over privatisation, but by no means bring it to a halt. Powerful institutions like World Bank and the IMF continue to promote privatisation of public services including water.⁵⁹ Other less visible promoters of leaving water delivery to private water corporations are national development aid agencies, e.g. the British DFID,⁶⁰ the German KfW and GTZ,⁶¹ as well as various EU development aid schemes in the water field.⁶² Far more political pressure is needed to end various forms of privatisation conditionalities and ensure that aid money instead flows towards public water systems designed according to local needs and circumstances in developing countries.

Notes

¹ The author wishes to thank Marc Maes from 11.11.11 for his contribution to this article and Olivier Hoedeman, Erik Wesseliuss and Owen Espley from CEO for their detailed comments.

³ DG Trade (2006): EU and others launch "plurilateral" process to boost Doha services negotiations Brussels, 28 February 2006, http://europa.eu.int/comm/trade/issues/sectoral/services/pr280206_en.htm: "The EU is not participating in any request addressing audiovisual and cultural services, education services, health services or water for human use, or in any request that could more generally impact on the operation of public services."

⁴ Status of the WTO negotiations in the run-up to the Ministerial Conference in Hong Kong on 13-18 December 2005. Statement by the Norwegian Foreign Minister Jonas Gahr Støre to the Storting on 9 December 2005. Translation from the Norwegian, <http://odin.dep.no/ud/english/032171-990270/dok-bn.html>

⁵ Interview with Pascal Kerneis in September 2005 in Brussels.

⁶ Interview with Pascal Kerneis in December 2005 in Hong Kong.

⁷ In 1999, the European Services Forum was set up by Leon Brittan, EU Trade Commissioner at the time, in order to provide business input into the GATS negotiations. The ESF's role as a privileged partner for the Commission and its privileged access to the decision making process in Brussels is well documented. See for instance Action Aid (2006): Under the influence. Exposing undue corporate influence over policy-making at the World Trade Organization. Johannesburg and Deckwirth, Christina (2005): The EU corporate trade agenda. The role and the interests of corporations and their lobby groups in Trade Policy-Making in the European Union. Seattle-to-Brussels network. Berlin/Brussels.

⁸ For a recent campaigning on GATS and water, cf. <http://www.waternotforsale.org/blog/archives/2005/12/13/1448188.html>. More websites of organisations working on water: <http://www.tni.org/altreg-docs/water.htm>, <http://www.waterjustice.org/>, <http://www.blueplanetproject.net>, <http://www.blueplanetproject.net/>, <http://www.laredvida.org/>

http://www.polarisinstitute.org/polaris_project/water_lords/water_lords_index.html

http://www.menschenrechtwasser.de/index_ENG.php.

For an overview of some activities on GATS in Europe, cf. www.gatswatch.org, www.s2bnetwork.org, www.attac.org and www.corporateeurope.org

⁹ Cf. WTO (2001): Guide to the GATS, Chapter Twelve: Environmental Services. Geneva, pp. 295-329

¹⁰ The impacts of water privatisation will not be covered in this article. For a record a water privatisation in developing countries, cf. www.wdm.org.uk, for an overview of water privatisation in Europe, cf. Dickhaus, Barbara and Dietz, Kristina (2005): Public Services under Privatisation Pressure. Berlin

For examples of alternatives to water privatisation, see cf. Balanyá, Belén, Brid Brennan, Olivier Hoedeman, Satoko Kishimoto and Philipp Terhorst (Ed. 2005): Reclaiming Public Water. Achievements, Struggles and Visions from Around the World. Transnational Institute and Corporate Europe Observatory, <http://www.tni.org>

¹¹ For more information on the role of the World Bank and the IMF in liberalisation and privatisation of water services, cf. Alexander, Nancy (2005): The Roles of IMF, the World Bank, and the WTO in Liberalization and Privatization of the Water Services Sector. Silver Spring, MD and Hoering, Uwe and Ann Kathrin Schneider (2004): King Customer? The World Bank's „new“ water policy and its implementation in India and Sri Lanka. Berlin/Stuttgart

¹² For extensive research on global water companies and “corporate profiles”, cf. <http://www.psisru.uk.org>, <http://www.polarisinst.org> or

<http://www.citizen.org/cmep/Water/corporates/>, <http://www.citizen.org/cmep/Water/corporates/>.

¹³ Cf. Peet, Richard (2004): Unholy Trinity. The IMF, World Bank and WTO. London/New York.

¹⁴ For a detailed analysis of the potential impacts of the GATS on water distribution, cf. for example: Save the Children (2003): GATS and water: the threat of services negotiations at the WTO. Author: John Hilary. http://www.savethechildren.org.uk/scuk_cache/scuk/cache/cmsattach/21_GATS_and_water.pdf

¹⁹ European Commission (2002): Letter „Follow-up to meeting on trade in environmental services in WTO negotiations, 17 May 2002. Brussels. On file with Corporate Europe Observatory (CEO).

²⁰ European Commission (2003): Note for the Attention of M.P. Carl Director General DG TRADE. EC position on environmental services – the question of water related services. Brussels, p. 3. In the same document the Commission puts forward figures to illustrate the potential gains from further liberalisation in environmental services: “*Global environmental markets (that is, both goods and services) are estimated by UNCTAD to value between 500 bn and 600 bn Euro, about the same size of pharmaceuticals, or information technology markets.*” On file with Corporate Europe Observatory (CEO).

²¹ For more information on European water TNCs, cf. CEO (2003): European Water TNCs: Towards Global Domination? Water Justice Info Brief 1. Amsterdam.

²⁵ WTO submission S/CSC/W/25, dd 28 September 1999

²⁷ S/CSS/W/38, dd 22 December 2000

²⁸ To view the leaked EU requests, cf. www.polarisinstitute.org/gats/Main.html.

²⁹ For a detailed analysis of the European GATS requests, cf. World Development Movement (2003): Whose development agenda?: An analysis of the European Union's GATS requests of developing countries. London

³¹ European Commission (2002): Letter „Follow-up to meeting on trade in environmental services in WTO negotiations, 17 May 2002. Brussels. This document can be viewed in Gould, Ellen (2003): Water in the Current Round of WTO Negotiations on Services. Canadian Centre for Policy Alternatives. Briefing Paper Series: Trade and Investment. Volume 4, Number 1.

³² Translation by the author from the German original: „dass ein Treffen mit Experten aus der ‘Praxis’ nuetzlich sein koennte, einige dieser Fragen zu diskutieren.“ E-mail from Ulrike Hauer, DG Trade to RWE. 27 June 2003

³³ Translation by the author from the German original: „Der Grund für unser ‚Drängen‘ ist auch, dass wir überlegen mit den Vertretern der europäischen Firmen u.U. ein informelles Treffen mit interessierten WTO Delegationen zu veranstalten, um über Umweltdienstleistungen in der laufenden WTO Verhandlungsrunde zu sprechen. Wie Sie wahrscheinlich wissen, sind Umweltdienstleistungen ein wichtiger Sektor für die EU in dieser Runde. Gleichzeitig ist klar dass viele unserer Partner, insbesondere Entwicklungsländer, Fragen und Bedenken haben, Marktöffnung in der WTO in diesem Sektor zu binden.“ E-mail Ulrike Hauer, DG Trade, to RWE. 27.6.2003

³⁴ For further information on the European Commission' cooperation with corporate lobby groups in the GATS negotiations, cf. Wesselius, Erik (2002): Behind GATS 2000: Corporate Power at Work. Transnational Institute. Amsterdam., Deckwirth, Christina (2005): The EU's corporate trade agenda. The role and interests of European corporate lobby groups in Trade-Policy Making in the European Union. Berlin/Brussels and Deckwirth, Christina (2004): GATS als politisches Projekt. In: Z., September 2004 (in German), abridged version in English on <http://portland.indymedia.org/en/2005/10/327020.shtml>.

³⁵ European Commission (2003): Note for the attention of M.P. Carl Director General DG TRADE. EC position on environmental services – the question of water related services. Brussels, p. 4. On file with Corporate Europe Observatory (CEO).

⁴¹ Vivendi Environnement Bureau de Bruxelles (2002): Services to environment: what stakes for WTO negotiations? Presentation to ESF “Committee on services”. 28 May 2002. Brussels. On file with Corporate Europe Observatory (CEO).

⁴² RWE Thames Water (2005): Letter from Richard Aylard, Head of Corporate Development and External Affairs RWE Thames Water to Francois -Charles La Prévôte, European Commission, DG Trade. 28 February 2005. On file with Corporate Europe Observatory (CEO).

⁴³ See EU Observer, 16 March 2005 and IPPR. Murky Waters. GATS and the provision of water in developing countries. London, June 2005; www.ippr.org.uk; notes taken at the symposium.

⁴⁴ Interview, September 2005 in Brussels

⁴⁵ European Commission (2005): Letter from Petros Sourmelis, DG Trade, to Richard Aylard, Head of Corporate Development and External Affairs RWE Thames Water. Brussels, 7 March 2005

⁴⁶ Ibid.

⁴⁷ Interview, September 2005 in Brussels

⁴⁸ For more information on GATS-free zones, cf. <http://www.hors-agcs.org> (in French).

⁴⁹ Deutscher Bundestag (2003): Sicherung eines fairen und nachhaltigen Handels durch eine umfassende entwicklungsorientierte Welthandelsrunde. Antrag igeiner Abgeordnete der Fraktionen der SPD und Bündnis 90/Die Grünen. Drucksache 15/1317. Berlin, p. 12

⁵⁰ See <http://www.11.be> and Belgian Parliament, The Chamber, Bulletin of Questions and Replies, 2004-2005, n°B066, Question 156 by Dirk Vander Maelen dd 13 January 2005 and reply by the Minister of Foreign Affairs of 21 February 2005.

⁵¹ Resolution on the Doha Development Agenda adopted in Strasbourg on 12 May 2005, A6-0095/2005, art.22,

⁵² Cf. note 3.

⁵⁴ These come under mode 1 (cross border supply of services) and mode 2 (consumption abroad); in 2002 it was thought that no water services could be provided this way, but advisory services can and so they were added in 2005.

⁵⁵ This might explain why the 28 February collective request contains a note (with regard to waste water services where similar specifications are made) underlining "that contracts that are executed pursuant to laws, regulations or requirements governing the procurement by governmental agencies of services purchased for governmental purposes and not with a view to commercial resale or with a view to use in the supply of services for commercial resale are not addressed by this request".

⁵⁶ Provisional UN CPC 9401; called "Wastewater management" in the reclassification proposal of the EU.

⁵⁷ Answer given by Mr Mandelson on behalf of the Commission Parliamentary questions 12 December 2005 E-4659/05 to a written question by MEP Jonas Sjöstedt (GUE/NGL) to the Commission on "Mandelson on investment in water". E-4659/05EN, 24.1.2006, http://www.europarl.eu.int/omk/sipade3?L=EN&OBJID=108386&LEVEL=2&SAME_LEVEL=1&NAV=S&LSTDOC=Y

⁵⁸ Cf. e.g. <http://www.stop-epas.org>

⁵⁹ Cf. e.g. Alexander, Nancy (2005): The Roles of IMF, the World Bank, and the WTO in Liberalization and Privatization of the Water Services Sector. Silver Spring, MD or Grusky, Sara (2003): The IMF, the World Bank and the Global Water Companies: A Shared Agenda, By Sara, International Water Working Group. Public Citizen. <http://www.citizen.org/documents/sharedagenda.pdf>.

⁶⁰ Cf. www.wdm.org.uk/campaigns/aid/index.htm

⁶¹ E.g.: Loewe, Jens (2005): Neue Wasser-Revolten in Bolivien. Stuttgarter Wasserforum. <http://www.labournet.de/internationales/bo/stuttgart.html>

⁶² Corporate Europe Observatory (2003): G8 Summit: Corporate Welfare or Water for all? Amsterdam. <http://www.corpwatch.org/article.php?id=6852>, or a more recent critique of the EU Water Initiative: http://www.wateraid.org/uk/what_we_do/policy_and_research/policy_news/2815.asp.